

TESTIMONY OF BARRY R. MCCAFFREY
DIRECTOR, OFFICE OF NATIONAL DRUG CONTROL POLICY,
BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS,
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT
ON THE OFFICE OF NATIONAL DRUG CONTROL POLICY'S BUDGET,
MARCH 13, 1998

Chairman Kolbe, Congressman Hoyer and members of the Committee, thank you for the opportunity to testify on the Office of National Drug Control Policy's budget. The Office of National Drug Control Policy (ONDCP) appreciates your longstanding support, as well as the guidance and leadership of the Committee. The *Strategy* we have presented to the Congress, developed in close consultation with the members of this Committee and the Congress as a whole, reflects the strength of our enduring bipartisan commitment to focus our efforts to diminish America's drug problem on realistic results. We appreciate your good counsel on setting our sights on aggressive, but plausible, targets.

Much of our current progress results from the fact that you have enabled us to reinvigorate the Office of National Drug Control Policy. Mr. Chairman and Congressman Hoyer, I want to particularly thank each of you for your wise judgements and tireless efforts in this regard. Through the support of this Committee, we now have an ONDCP that is ready for the task ahead.

The importance of your bipartisan support in the success of this effort is evident from two of the most significant programs we are now undertaking: the strengthening of our Southwest Border and the National Anti-Drug Youth Media Campaign. Chairman Kolbe, ONDCP appreciates your efforts to help drastically reduce the flow of drugs across the Southwest Border. Through your support, the *National Drug Control Strategy* will implement a \$105 million *Port and Border Security Initiative* and deploy 1,000 new Border Patrol agents and advanced technologies to this vital region. Let me also thank Congressman Wolf for his support of our interdiction efforts. Congresswoman Meek, your efforts to ensure the success of the National Youth Media Campaign are now paying off; in twelve pilot cities we are reaching out to our young people with a simple, yet vital message: "drugs are wrong, and they can kill you and your dreams." Absent the support of these members and this committee, neither of these programs would exist today.

Our common efforts have had a direct and substantial impact on the success America has enjoyed in reducing drug use. Over the past seventeen years, this bipartisan partnership has contributed to a 50 percent overall reduction in the number of Americans using drugs and a 70 percent reduction in the number of Americans using cocaine. But we can and must do more. If unchecked, America's drug abuse problem will kill 140,000 Americans and cost our society \$700 billion over the coming decade. Our progress must be steady; we cannot afford to lose a moment's time or spare any effort in significantly reducing the threats of drug use in America.

We welcome the opportunity at this hearing is to put forward the Fiscal Year 1999 budget for ONDCP. However, to provide a framework for understanding this budget, this testimony must begin with an analysis of current drug use trends in America, and an overview of the 1998 *National Drug Control Strategy*.

When you considered my appointment as Director of ONDCP in February 1996, I pledged to forge a coherent counter-drug strategy that would substantially reduce illegal drug use and protect our youth and our society. The *1998 National Drug Control Strategy* reflects ONDCP's ongoing commitment to this goal. This *Strategy* is a ten-year plan to reduce drug use in America by half -- ***to the lowest levels in the past thirty years.*** The following table offers examples of the progress that will be attained if this plan is fully implemented by all sectors of American society:

<u>Measure</u>	<u>Current Figure</u>	<u>10-Year Goals</u>	<u>30-Year Lows/Highs</u>
Current drug use (all ages)	6.1 percent	3 percent	5.8 percent (low)
Marijuana initiates	2.37 million	1.18 million	1.37 million (low)
Age of initiation (marijuana)	16.7 years	20 years	20.1 years (high)
Current use of illicit drugs (among 12-17 year olds)	9.0 percent	4.5 percent	5.3 percent (low)

Let us be clear on this: never before has America had so solid a commitment to a long-term counter-drug strategy, which is determined to achieve such an ambitious goal in fighting drugs. The *Strategy* is backed by a system of Performance Measures of Effectiveness by which this Congress and the American people can hold us accountable to achieve these ends. However, whether the issue was balancing the budget, defeating Nazi Germany, or ensuring civil rights to our citizens, we have triumphed as a nation only when we have worked together without regard to party or politics. If we lose the bipartisan anti-drug cooperation and momentum we currently have, it could take us up to three additional years to begin to meet our goals. We need a partnership among the Administration, members of Congress, community coalitions, and state and local governments to achieve our purpose. The *National Drug Control Strategy* is sound; our task is to work together to successfully achieve the defined outcomes for all five of our goals with their 32 supporting objectives.

I. Drug Use Trends -- The Threat is Great, but We are Making Solid Progress

Illegal Drug Use Places a Tremendous Burden on America: The social costs of drug use in America total over \$67 billion per year, including \$46 billion in crime, \$6.3 billion in AIDs-related costs and \$8 billion in illness-related costs. Cocaine initiation rates -- the number of people trying the drug for the first time -- have begun to increase. Heroin initiation rates are up markedly. Drug use trends among young people remain especially troubling. Drug-use rates among youth, while still well below the 1979 peak of 16.3 percent, remain substantially higher than the 1992 low of 5.3 percent. One in four twelfth graders is a current illegal drug user, while for eighth graders, the figure is approximately one in eight. Elevated drug-use rates are a reflection of pro-drug pressures and drug availability. Almost one in four twelfth graders say that "most or all" of their friends use illegal drugs. A Columbia University Center on Addiction and Substance Abuse survey reported that 41 percent of teens had attended parties where marijuana was available, and 30 percent had seen drugs sold at school.

Illegal Drug Use Rates are 50 Percent Lower Than 1979's Historic High Level: In 1996, an estimated thirteen million Americans (6.1 percent of the U.S. household population aged twelve and over) were current drug users. This figure is roughly half the number in 1979 when twenty-five million (or 14.1 percent of the population) were current users.

Illegal Drug Use Has Begun to Level off Among Youth The University of Michigan's 1997 *Monitoring the Future (MTF)* study and SAMHSA's 1996 *National Household Survey on Drug Abuse (NHSDA)* indicate that youth drug use rates seem to be leveling off, and in some cases are declining. The MTF found that, for the first time in six years, the use of marijuana and other illegal drugs stabilized among eighth graders. Use of marijuana and other illegal drugs among tenth and twelfth graders also appears to have leveled off. The NHSDA reported that current drug use among twelve to seventeen-year-olds declined between 1995 and 1996 from 10.9 percent to 9 percent. The *MTF* study also reported that attitudes regarding drugs, which are key predictors of use, began to reverse in 1997 after seven years of erosion.

Crack Use is Declining: The most recent data from the Drug Use Forecasting Program, which monitors arrestees, show a coast-to-coast decline in crack use (from a 29 percent decline in Washington, D.C., from 1988 to 1996, to 15 percent decline in San Jose, from 1989 to 1996) -- a good indication that the crack epidemic that began in 1987 continues to abate.

Good News on Methamphetamine: Meth use, as reflected by the Drug Use Forecasting Program's testing of arrestees, is down in the eight cities that had been suffering the highest increases in use: 52% drop in Dallas; 20% drop in San Jose; 19% in San Diego; 34% in Portland; and over 40% in Denver, Omaha and Phoenix.

Cocaine Production Down Sharply: Indications are that cocaine production in the Andean region -- the primary producing area -- may be down as much as 100 tons from last year.

Spending on Drug Consumption is Down: The most recent data shows the amount Americans spend buying illegal drugs is down roughly 37 percent from 1988 to 1995 -- a total per annum decline of \$34.1 billion reinvested in American society.

Drug-Related Crime is in Decline: In 1989, according to the FBI, there were 1,402 murders related to narcotic drug laws. In 1992, that number dropped to 1,302. By 1996, that number hit a low of 819.

Drug-Related Medical Emergencies May Have Peaked but Remain Near Historic Highs: SAMHSA's Drug Abuse Warning Network (DAWN) reported that drug-related episodes dropped 6 percent between 1995 and 1996, from 518,000 to 488,000. Heroin-related episodes declined slightly, the first decline since 1990. Methamphetamine-related incidents decreased 33 percent to 10,787, the second year of decline since the 1994 peak of 17,665.

Drug Offenders Crowd Our Prisons and Jails: In June 1997, the nation's prisons and jails held 1,725,842 men and women -- an increase of more than 96,000 over the prior year. More Americans were behind bars than on active duty in the Armed Forces. The increase in drug offenders accounts for nearly three-quarters of the growth in the federal prison population between 1985 and 1995, while the number of inmates in state prisons for drug-law violations increased by 478 percent over the same period.

Public Awareness About the Dangers of Drugs is Increasing: A 1997 Harvard University poll found that adults believe the number one problem facing America's children is drug abuse. A 1997 study by

the Center on Addiction and Substance Abuse found that over half of our young people support drug testing in their schools and say they are willing to report a drug user to school officials.

II. The 1998 National Drug Control Strategy

A. Highlights of the Strategy

The *1998 Strategy* focuses on expanding programs that work and building targeted new initiatives designed to directly attack the problem of drug use. Highlights of this comprehensive, balanced, ten-year plan include:

A Ten-Year Strategy to Reduce Drug Use and its Consequences by Half

- First-ever, comprehensive ten-year plan to reduce drug use and its consequences by half.
- This ten-year plan is backed by a five-year budget projections, and Performance Measures of Effectiveness to improve accountability and efficacy.
- Supported by the largest counter-drug budget ever presented: \$17.1 billion.
- Dynamic and comprehensive: focuses on results not programs; each element supports all the other initiatives.

Providing the Resources Necessary to Make a Difference

- The \$17.1 billion recommended drug control budget for FY 1999 represents a \$1.1 billion increase (6.8%) over the FY 1998 enacted level.
- The FY 1999 budget includes an increase of \$491 million for treatment and prevention programs and \$602 million for supply reduction programs.
- The FY 1999 recommended drug budget is 43 percent larger than the FY 1992 enacted drug budget.
- Prevention efforts in the FY 1999 budget are provided \$.7 billion more than in FY 1992; treatment programs are provided \$3.5 billion more than in FY 1992; domestic law enforcement efforts are provided \$3.7 billion more than in FY 1992.

Protecting America's Young People

- The *Strategy's* first goal is educate children and adolescents to enable them to reject drugs.
- This *Strategy* builds on programs that work and launches new initiatives:
 - National Youth Anti-Drug Media Campaign* (\$195 million) -- which will "go national" in June.
 - School Drug-Prevention Coordinators Initiative* (\$50 million) -- providing prevention professionals to 6,500 middle schools nationwide.
 - President's Youth Tobacco Initiative* (\$146 million) -- preventing behavior with a relation to future drug use.
 - The Civic Alliance* -- helping 33 national civic and service groups, representing 55 million people, to fight youth drug use.
 - Youth Drug Research* -- expanding understanding of youth drug use and addiction.
- Largest percentage budget increases -- 15% or \$256 million -- for youth programs.

Strengthening Communities and Workplaces

- Launches the Drug-Free Communities Program, a five-year, \$140 million effort that will strengthen the existing 4,000 community-based anti-drug coalitions, and build 10,000 new coalitions across the nation.
- Works with 22 million small businesses to initiate drug-free workplaces.

Reinforcing Our Borders

- Launches a \$105 million *Port and Border Security Initiative*.
- Puts 1,000 new Border Patrol agents, and increases barriers along the Southwest Border.
- Deploys new technologies, such as advanced X-rays and remote video surveillance, along the Southwest Border -- including \$41 million for nonintrusive inspection technologies.
- Strengthens oversight over federal Southwest Border drug control efforts.

Strengthening Law Enforcement

- Focuses on full implementation of the Community Oriented Policing Services (COPS) program.
- Expands DEA's counter-heroin initiative: \$12.9 million and 95 new agents.
- Expands anti-methamphetamine initiative: \$24.5 million including 100 new DEA agents.
- Expands DEA's Caribbean Corridor Initiative: \$9.8 million and 56 new agents.

Breaking the Cycle of Drugs and Crime

- Provides treatment to nonviolent first-time offenders in the criminal justice system to free them from the addictions that drive their actions. Punishment alone cannot diminish drug-related crime; it is necessary to break the cycle of drugs, crime and prisons.
- Provides \$85 million in funding and other support to help state and local governments implement drug testing, treatment, and graduated sanctions for drug offenders.

Reducing the Supply of Drugs and Enhancing Multinational Cooperation

- In 1997, Andean cocaine production dropped by as much as 100 tons less than the prior year.
- Despite this overall progress, Colombian coca production is up 56 percent over the last two years, with much of the expanded capacity occurring in guerilla or paramilitary held territories.
- The *Strategy* adds \$75.4 million in Department of Defense support to US, Andean, Caribbean and Mexican interdiction efforts.
- Adds \$45 million to support Andean nation counter-drug efforts, including interdiction, crop replacement, and support to law enforcement.
- Continues to build multinational cooperation against drugs, focusing on US-Mexico bilateral efforts, the Caribbean Initiative, and the upcoming Santiago Summit and UN General Assembly Special Session.

Closing the Treatment Gap

- The number of people who require drug treatment but who are not in treatment -- the "gap" -- is estimated at 1.7 million.
- Provides an added \$200 million in Substance Abuse Block Grants to States to assist in closing the gap, increasing the total funding to \$1.5 billion.

B. Goals and Objectives of the 1998 Strategy

The goals of the *1998 Strategy* remain unchanged from the *1997 Strategy*; reflecting both the need for consistency and the importance of sticking to those programs that make sense and are working. The thirty-two drug control objectives are aligned with the Performance Measures of Effectiveness and outline the specific accomplishments this *Strategy* is designed to achieve. The objectives are aggressive. The Administration is committed to meeting these goals, as well as to continually examining and refining the targets set forth in the performance measures system. There will be an annual review during the budget process to determine the relationship between the goals and the level of available federal and nonfederal resources.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as alcohol and tobacco.

Drug abuse is preventable. If boys and girls reach adulthood without using illegal drugs, alcohol, or tobacco, they probably will never develop a chemical-dependency problem. To this end, the *Strategy* focuses on educating children about the real dangers associated with drugs. ONDCP seeks to involve parents, coaches, mentors, teachers, clergy, and other role models in a broad prevention campaign. The *Strategy* encourages businesses, communities, schools, the entertainment industry, and coaches to join these anti-drug efforts. In addition, we must limit drug availability and treat young substance abusers.

Objectives: The *Strategy's* mid-term objectives are to reduce the prevalence of past-month drug use among youth by 20 percent and increase the average age of first use by twelve months before the year 2002. The long-term objectives are a 50 percent reduction in current drug use and an increase of thirty-six months in the average age of first use by the year 2007.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

The social ruin caused by drug-related crime and violence mirrors the tragedy that substance abuse wreaks on individuals. A large number of the twelve million property crimes committed each year are drug-related as is a significant proportion of nearly two million violent crimes. The nation's 3.6 million chronic drug users contribute disproportionately to this problem, consuming the majority of cocaine and heroin on our streets.

Drug-related crime can be reduced through community-oriented policing, which has been demonstrated by police departments in New York and numerous other cities where crime rates are plunging. Cooperation among federal, state, and local law-enforcement agencies and operations targeting gangs, trafficking organizations, and violent drug dealers are making a difference. Equitable enforcement of fair laws is a must. Punishment must be perceived as commensurate with the offense. Finally, the criminal justice system must do more than punish. It should use its coercive powers to break the cycle of drugs and crime through linkage of the criminal justice system to effective treatment programs.

Objectives: The *Strategy's* mid-term objective is to reduce drug-related crime and violence by

15 percent by the year 2002. The long-term objective is a 30 percent reduction by the year 2007.

Goal 3: Reduce health and social costs to the public of illegal drug use.

Drug dependence is a chronic, relapsing disorder that exacts enormous costs on individuals, families, businesses, communities, and the nation. Addicted individuals have lost their ability to resist drugs, which results in self-destructive and criminal behavior. Effective treatment can manage addiction and lower the cost of chronic drug use to society.

Providing effective drug treatment for America's 3.6 million chronic drug users is both prudent public policy and a sound investment. For example, a recent study by the National Institute on Drug Abuse found that outpatient methadone treatment reduced heroin use by 70 percent, cocaine use by 48 percent, and criminal activity by 57 percent. It also increased employment by 24 percent. Long-term residential treatment had similar success.

Objectives: The *Strategy's* mid-term objectives are to reduce use by 25 percent and health and social consequences by 10 percent by the year 2002. The long-term objectives are a 50 percent reduction in drug use and 25 percent reduction in consequences by the year 2007.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

The United States is obligated to protect its citizens from the threats posed by illegal drugs crossing our borders. Interdiction in the transit and arrival zones disrupts drug flow, increases risks to traffickers, drives them to less efficient routes and methods, and prevents significant amounts of drugs from reaching the United States. Interdiction operations also produce intelligence that can be used domestically against trafficking organizations.

Each year, more than sixty-eight million passengers arrive in the United States aboard 830,000 commercial and private aircraft. Another eight million individuals arrive by sea, and a staggering 365 million cross our land borders each year driving more than 115 million vehicles. More than ten million trucks and cargo containers and ninety thousand merchant and passenger ships also enter the United States annually, carrying some four hundred million metric tons of cargo. Amid this voluminous trade, traffickers seek to hide more than 300 metric tons of cocaine, thirteen metric tons of heroin, vast quantities of marijuana, and smaller amounts of other illegal substances.

Objectives: The *Strategy's* mid-term objective is to reduce the amount of illegal drugs entering the United States by reducing trafficker success rates through the transit and arrival zones 10 percent by the year 2002. The long-term objective is a 20 percent reduction in trafficker success rates by the year 2007.

Goal 5: Break foreign and domestic drug sources of supply.

The rule of law, human rights, and democratic institutions are threatened by drug trafficking and consumption. International supply reduction programs not only reduce the volume of illegal drugs reaching our shores, they also attack international criminal organizations, strengthen democratic

institutions, and honor our international drug-control commitments. The U.S. supply reduction strategy seeks to: (1) eliminate illegal drug cultivation and production; (2) dismantle drug-trafficking organizations; (3) interdict drug shipments; (4) encourage international cooperation; and (5) safeguard democracy and human rights. Additional information about international drug-control programs is contained in a classified annex to this *Strategy*.

Objectives: The *Strategy's* mid-term objectives are a 15 percent reduction in the flow of illegal drugs from source countries and a 20 percent reduction in domestic marijuana cultivation and methamphetamine production by the year 2002. Long-term objectives include a 30 percent reduction in the flow of drugs from source countries and a 50 percent reduction in domestic marijuana cultivation and methamphetamine production by 2007.

Assessing Performance

The *Strategy's* supporting performance-measurement system establishes the interrelationship between outcomes, programs, and resources. The performance measurements detailed in a companion volume to the *Strategy* -- *Performance Measures of Effectiveness: A System for Assessing the Performance of the National Drug Control Strategy* -- will gauge progress toward that end using five and ten-year targets. The heart of the system consists of twelve impact targets that define strategic end-states for the *Strategy's* five goals. Eighty-two supporting performance targets establish outcomes for the *Strategy's* thirty-two objectives. These targets were developed by federal drug-control agencies working with ONDCP and were reviewed by state and local agencies and drug-control experts.

While the drug-control performance measurement system can offer valuable information on program effectiveness, it will not determine federal budgets. No responsible level of federal spending alone can bring about a 50 percent reduction in America's illegal drug use problems. State and local governments, the private sector, communities, and individuals must all embrace the commitment to reduce demand by 50 percent over the next ten years. However, by providing clear benchmarks of our progress, the performance measures will assist policy makers, legislators, and managers in considering the adequacy of specific drug-control programs and increase accountability; these measures will assist in a considered review of whether we are achieving the maximum impact for the resources being used. In turn, we will gauge whether the performance targets need to be adjusted to reflect new or changing circumstances.

Progress will be measured using both existing and new survey instruments. The *Monitoring the Future* survey and the *National Household Survey on Drug Abuse*, for example, estimate risk perception, current use rates, age of initiation, and life-time use for most illegal drugs, alcohol, and tobacco. The *Arrestee Drug Abuse Monitoring* system and *Drug Abuse Warning Network* provide indirect measures of consequences. The principal measuring device for international progress is the *International Narcotics Control Strategy Report*. This annual State Department document provides country-by-country assessments of initiatives and accomplishments. It summarizes drug cultivation, eradication, production, seizures, arrests, destruction of laboratories, drug flow and transit, and criminal justice efforts. The Office of National Drug Control Policy's Advisory Committee on Research, Data, and Evaluation will consider additional instruments and measurement processes needed to address the demographics of chronic users, domestic cannabis cultivation, drug availability, and other drug-policy

data shortfalls. (Because our performance assessments depend on the quality of the data developed, improved and expanded research will contribute greatly to this effort.) Annual progress reports will be submitted to Congress.

III. The ONDCP Budget

ONDCP's FY 1999 budget request of \$449.449 million includes:

- \$19.442 million for salaries and expenses to support ONDCP's 154 positions (124 full time employees and 30 detailees)
- \$162.007 for the High Intensity Drug Trafficking Area (HIDTA) program.
- \$251 million for the Special Forfeiture Fund to support a National Youth Anti-Drug Media Campaign (\$195 million); a Drug-Free Communities Program (\$20 million); a Hardcore Users Study (\$10 million); and discretionary funding to enhance drug control activities and address emerging drug threats (\$26 million).
- \$16 million for the Counterdrug Technology Assessment Center (CTAC).
- \$1 million for ONDCP-coordinated policy research.

The Capacity to Lead the Fight Against Illegal Drugs: **\$19.442 Million for ONDCP Salaries and Expenses.**

The \$19.442 million for ONDCP salaries and expenses is the smallest programmatic component of the ONDCP budget. However, this funding is the linchpin for all the other programs funded through the ONDCP budget. Without a fully staffed and funded ONDCP, none of these other initiatives can be carried out.

ONDCP serves as the President's primary Executive Branch support for drug policy development and program oversight. ONDCP advises the President on national and international drug control policies and strategies, and works to ensure the effective coordination of drug programs within the Federal Agencies and Departments. ONDCP responsibilities include:

- Developing an annual National Drug Control Strategy.
- Developing a consolidated National Drug Control Budget for presentation to the President and the Congress (including budget certifications and quarterly reprogramming reports).
- Certifying the budgets of programs, bureaus, agencies and departments.
- Issuing Funds Control Notices--ONDCP may direct that all or part of an amount appropriated to a national drug control agency be obligated by months, fiscal year quarters, or other time periods, as

well as activities, functions, projects, or object classes. This authority is discretionary.

- Evaluating Program Effectiveness--ONDCP is required to include in each National Drug Control Strategy an evaluation of the effectiveness of Federal drug control during the preceding year. This assessment must include the following elements:
 - (1) changes in drug use, including estimates of drug prevalence and frequency of use in Federal, state, and local surveys, as well as special studies of high-risk populations and drug use in the workplace;
 - (2) changes in drug availability as measured by the quantities of illicit drugs available and the amounts entering the United States, in addition to the interdiction efforts and their effectiveness;
 - (3) changes in drug use consequences, which must encompass ONDCP's estimation of the burdens drug users place on national and other social services, including the resulting drug-related crimes and criminal activity, in addition to the contribution of drugs to the underground economy; and
 - (4) drug treatment capacity by assessing total public and private treatment slots' efficiency and effectiveness within each state.
- Coordinating and overseeing Federal anti-drug policies and programs involving approximately 50 Federal agencies and the programs they administer.
- Encouraging private-sector, state, and local drug prevention and control programs.
- Conducting policy analysis and research to determine the effectiveness of drug programs and policies in addressing the Strategy's goals, priorities, and objectives.
- Designating High Intensity Drug Trafficking Areas (HIDTAs) and providing overall policy guidance and oversight for the award of resources to Federal, state, and local law enforcement partnerships in these areas.
- Developing and overseeing a National Youth Anti-Drug Media Campaign that will be a multi-faceted communications campaign that harnesses the energies of parents, mass media, corporate America, and community anti-drug coalitions. This campaign will emphasize that prevention can work and will seek to empower parents to discuss this critical subject with their children.
- Operating CTAC to serve as the central counterdrug enforcement research and development center for the Federal Government.
- Overseeing the Drug-Free Communities Program, which will serve as a catalyst for increased citizen participation in our efforts to reduce substance abuse among our youth and provide community anti-drug coalitions with much needed funds to carry out their important missions.

ONDCP is an organization of 154 committed professional men and women. It will have 124 full-

time employees (FTEs) and 30 detailees once hiring has been completed. The FY 1999 request for \$19.442 million represents a \$1.426 million increase over the enacted FY 1998 total of \$18.061 million. Major expenses include:

- \$9.180 million for compensation of 124 FTEs. This represents an increase of \$457,000 over the FY 1998 enacted total of \$8.723 million.
- \$2.020 million for total personnel benefits.
- \$4.218 million for guard services, professional services contracts, maintenance services, and related costs. Combating the threat of drugs is not without its risks. For example, in 1997, 152 law enforcement officers were killed in the line of duty. Over the last year, we have taken prudent steps to increase the security of both our personnel and sensitive information within the office's purview.
- \$2.170 million for rental payments to GSA.
- \$734,000 for travel and transportation costs. The bully pulpit is one of the most valuable tools ONDCP has at its disposal in the fight against drugs. Since taking office, I have traveled to 33 of the 50 United States, touching over 60 cities, countless towns and communities -- ranging from New York City to Las Cruces, New Mexico -- and meeting with hundreds of thousands of people. These efforts are vital to helping Americans of all ages hear the message that drugs are wrong and can kill you. Additionally, by getting out into the field and walking the frontlines of our struggle against drugs, we ensure that our policies and programs respond effectively to the realities of life beyond the Beltway.

Similarly, through foreign travel to 13 nations, I have personally pressed the vital counter-drug foreign policy objectives of the United States. By building face-to-face understandings and common strategies we are making real progress internationally. For example, coca production in the Andean region is down as much as 100 tons below last year's production level.

- \$821,000 for communications, utilities, printing, reproduction, and related miscellaneous costs.
- \$299,000 for equipment, supplies and materials, and representational funds.

Educating America's Young People, Empowering Communities, and
Advancing Our Understanding of America's Drug Problem:
\$251 Million for the Special Forfeiture Fund

(\$195 million) National Youth Anti-Drug Media Campaign

ONDCP, with the assistance of the Partnership for a Drug-Free America (PDFA) and the Ad Council, is implementing a multifaceted communications campaign involving parents, mass media, corporate America, and anti-drug coalitions. The National Youth Anti-Drug Media Campaign will counteract media messages and images that glamorize, legitimize, normalize, or otherwise condone drug use. Youth aged nine to seventeen, and the adults who influence them, will be targeted by the campaign. Campaign messages will accurately depict drug use and its consequences and encourage parents to discuss drug abuse with children.

Congress appropriated \$195 million for the campaign last year, making it one of the largest paid advertising efforts ever undertaken by government. Over the past year, ONDCP has consulted with hundreds of communications and marketing professionals, educators, prevention and treatment experts, public health specialists, and public officials to design the campaign's development process. Anti-drug ads for phase I of a pilot program began airing in Atlanta, Baltimore, Boise, Denver, Hartford, Houston, Milwaukee, Portland (OR), San Diego, Sioux City, Tucson, and Washington, D.C. in January.

This summer, in phase II, ONDCP will expand the anti-drug advertising component nationwide, using national and local television (both broadcast and cable), radio, the Internet, and print media. In the fall, during phase III, a fully-integrated campaign will reach target audiences through TV, radio, print, Internet, and other media outlets. The campaign's advertising component is currently estimated at \$150 million. (The remaining monies will be used to support the campaign through corporate sponsorships, interactive media, evaluation processes, and other appropriate efforts.) This figure was determined based on ONDCP's goal of reaching on average 90 percent of the target audiences at an average frequency of four exposures per week. ONDCP contracted with experts in the fields of media planning and buying, and held consultations with a wide range of other experts, to develop a prototype national media plan that meets these goals. The projected breakout of expenditures by media category for the national advertising component of the overall media campaign is as follows:

- television and radio: 72 percent
- print (magazines and newspapers): 11 percent
- other (e.g., in-school, cinema, online, billboards): 17 percent

The campaign's reach will be extended through corporate sponsorship, cooperation with the entertainment-industry, programming changes, and media matches (for example, contributions to cover public-service time and space). Prevention experts believe this public-private campaign will influence attitudes of youths towards drugs within two to three years.

(\$20 million) Drug-Free Communities Program

Whether the challenge is to prevent young people from using drugs, or to take our nation's streets back from drug dealers, strong communities are vital to fighting drugs in America. Presently, there are an estimated 4,000 community anti-drug coalitions in America. The Drug-Free Communities Act of 1997 recognizes that the problem of illegal drugs must be addressed at the community level. The Drug-Free Communities Act authorizes \$143.5 million in matching grants over the next five years to support these existing coalitions and expand the number of coalitions by ten thousand. The Act authorizes the President to establish a Commission on Drug-Free Communities to advise ONDCP concerning matters related to the program. We expect the President to name the members of this Commission this Spring.

ONDCP will award grants to community coalitions of representatives of youth, parents, businesses, the media, schools, youth organizations, law enforcement, religious or fraternal organizations, civic groups, health care professionals, State, local, or tribal government agencies, and other organizations.

In carrying out the Program, the Director of ONDCP will: (1) make and track grants to grant recipients; (2) provide for technical assistance and training, data collection and dissemination of information on state-of-the-art practices that the Director determines to be effective in reducing substance abuse; and, (3) provide for the general administration of the Program.

(\$10 million) Hardcore Users Study

This amount will assist with the research and development of a national estimates of the size and composition of the hardcore drug user population. A pilot project for this research conducted in Cook County, Illinois, concluded that hardcore users are significantly under-counted in current surveys.

(\$26 million) Director's Discretion

This amount would be available at the discretion of the Director of ONDCP to use to enhance drug control activities and address emerging drug threats.

Strengthening Law Enforcement:

\$162.007 Million for the High Intensity Drug Trafficking Area Program

The HIDTA program facilitates coordination of anti-drug activities and investigations of federal, state, and local law enforcement agencies. The HIDTA program designates geographic areas to which federal resources are allocated to link local, state, and federal drug enforcement efforts. Properly targeted, HIDTHAs offer greater efficiency in countering illegal drug trade in local areas. HIDTA programs are based on a logical, comprehensive methodology for prioritizing needs and working with other initiatives.

Specific counties in 17 areas have been designated as HIDTHAs: Southwest Border (which contains the five partnerships of the California Border, Arizona, New Mexico, West Texas, and South Texas),

Los Angeles, Houston, Miami, and New York (designated in 1990); Washington D.C./Baltimore and Puerto Rico/U.S. Virgin Islands (designated in 1994); Atlanta, Chicago, Philadelphia/Camden (designated in 1995); Rocky Mountain, Northwest, Lake County (Indiana), Midwest, and Gulf Coast (designated in 1996); and Southeast Michigan and San Francisco Bay (designated in 1997).

In addition, counties in three areas have received official designation by the Director of ONDCP in FY 1998: Central Florida; Kentucky/West Virginia/Tennessee; and Milwaukee, for a total of 20 HIDTAs.

This FY 1999 request for \$162,007,000 for the HIDTA program is the same as the FY 1998 enacted HIDTA budget. At least half of the resources will go to state and local participants to support more than 250 task forces and initiatives. HIDTA funding is primarily used for intelligence, investigation, and enforcement activities. A small percentage of HIDTA funding supports prevention and treatment initiatives. Included in the FY 1998 enacted budget was \$8.8 for methamphetamine funding, of which \$1.5 million is for the Rocky Mountain HIDTA and the remaining \$7.3 million is for a national methamphetamine reduction program.

Decisions regarding the allocation of the discretionary FY 1999 HIDTA funds have not yet been made. However, as in FY 1998, at least half of the resources will go to state and local participants.

**Deploying Advanced Technologies to Fight Drugs:
\$16 Million for the Counterdrug Technology Assessment Center**

The development and deployment of advanced technologies is vital to the *Strategy's* primary objective of reducing drug use in America by half over the next ten years. For example, new nonintrusive detection technologies are needed along the Southwest Border to ferret out illicit drugs from the steady and growing exchange of commerce that greatly benefits both the United States and Mexico. Similarly, technological advances in understanding the process of addiction offer the promise of new treatments to free people from the grip of illegal drugs.

The Counterdrug Technology Assessment Center was created to serve as the central counterdrug research and development center for the federal government. The CTAC budget provides minimum, but crucial, funding for special research not covered by other agencies. This budget also provides significant support for infrastructure needed to demonstrate technical feasibility and measure the effectiveness of proposed innovations of emerging technology in realistic environments. CTAC funding also supports an outreach program to: assess the technology available, identify the best research from all sources, and assist law enforcement and demand reduction agencies in bringing these advanced technologies into their operations.

The CTAC supply reduction development program consists of: (1) cargo inspection technology; (2) information technology research; and, (3) tactical technologies. CTAC will continue outreach to the community through technology conferences and symposia, benchmark testing, and technical assessments of competing technologies and systems under consideration for development or procurement. CTAC has worked with the Science and Technology Committee to prepare a FY 1999 budget which conforms with the five-year technology research and development strategy.

In the non-intrusive cargo inspection systems initiative, CTAC will work with Customs, the Federal Aviation Administration, and the U. S. Navy to develop an operational testbed for testing transportable and fixed systems for non-intrusive inspection of cargo containers along the Southwest border. The program will address operational constraints and cost factors associated with customs inspection.

The CTAC demand reduction initiatives are focused on the crucial national problems of finding therapeutic drugs to counteract or block the effects of cocaine abuse, developing more effective treatment modalities with a special emphasis upon youth between the ages of 15-17, and developing a national scoreboard to monitor the effectiveness of all substance abuse treatment. CTAC's demand reduction technology program has been coordinated with NIDA.

The goals of CTAC's therapeutic cocaine medications development and facility support program are to have an effective treatment for cocaine addiction by the year 2000 and to fully develop a family of therapeutic drugs by 2003. The programs' goals fall within the ten-year time horizon established by the *National Drug Control Strategy* to reduce the harm of drug abuse in America.

Expanding Our Understanding of the Problem:
\$1 Million for ONDCP-Coordinated Policy Research

ONDCP conducts research to inform the policy process, identify and detail changing trends in the supply of and demand for illegal drugs, monitor trends in drug use, identify emerging drug problems, assess program effectiveness, and improve the sources of data and information about the drug problem. This \$1 million will support the activities, such as:

- **Pulse Check.** This is a report on current drug use and emerging trends, based on qualitative information from the police, ethnographers, and epidemiologists working in the drug field, and providers of drug treatment services across the country. This project is one of the most important sources of current intelligence and data on drug use.
- **Retail Value of Drugs Sold in the United States.** This is an annual project to determine how much Americans spend on illegal drugs. The report focuses on the retail sales value of cocaine, heroin, marijuana, and other illegal drugs. It provides ONDCP's estimates of the size of the hardcore user population.
- **Drug Market Analysis.** Working with the National Institute on Justice, ONDCP is using the Drug Use Forecasting system as a research platform to analyze drug markets. This project will provide information on drug dealing and the drug/crime connection.
- **Price of Illicit Drugs.** This yearly project generates quarterly and annual illicit drug prices and purities for the United States and selected cities. Results of the project are used to monitor market trends and support other research projects related to the illicit drug market. Statistical models based on data from the DEA are used to estimate typical prices for standardized purchases of heroin, cocaine, and marijuana. The paper includes price trends for these standardized purchases over time.

- **Federal Grant Directory.** The Directory assists state and local governments, community coalitions, researchers, and others in identifying and applying for Federal grants by cataloging Federal programs that award drug-related grants. It also provides information on how to identify and contact private foundations that also may provide valuable resources in the field. The third edition of the Directory is currently being prepared.

IV. A Common Effort toward Real Progress

The Office of National Drug Control Policy's budget request of \$449.449 million is a small component of the requested \$17.1 billion federal drug control budget. However, the importance of this funding cannot be overstated. This support will provide ONDCP the resources necessary to ensure the successful implementation of the *1998 National Drug Control Strategy*, which will have broad reaching, positive impacts on this nation and its citizens.

1998 Strategy provides this nation with a ten-year plan to reduce drug use and its consequences in America by half -- to the lowest levels in the past thirty years. The *Strategy* is backed by a \$17.1 billion budget. This is the largest counter-drug budget ever presented to ensure that the federal government can do its part in meeting this goal. The budget is accompanied by a set of well-defined performance measures to improve efficacy and ensure accountability. The *Strategy* is a plan for victory in the fight against drugs.

However, we can only defeat drugs if we are united in our efforts. The bipartisan support this Committee and Congress has provided to ONDCP has been vital to our successes over the past decade in reducing overall drug use, stabilizing use among our young people, and building at home and abroad the institutions and advancing the policies needed for progress. Your continued support as we move ahead in implementing this *Strategy* is critical. By providing ONDCP the funding necessary to move ahead, and by uniting our efforts behind this *Strategy* we can forge a safer, healthier and more productive nation. America deserves no less.

Thank you for this opportunity to lay out ONDCP's FY 1999 budget request. We solicit your feedback and guidance in the coming months.